



COUNTY OF LOS ANGELES

DEPARTMENT OF PUBLIC WORKS

"To Enrich Lives Through Effective and Caring Service"

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November 24, 2004

IN REPLY PLEASE

REFER TO FILE: **PJ-2**

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, CA 90012

Dear Supervisors:

**OLIVE VIEW-UCLA MEDICAL CENTER
EMERGENCY ROOM REPLACEMENT AND
TUBERCULOSIS UNIT PROJECT
ESTABLISH CAPITAL PROJECT 69249
SUPERVISORIAL DISTRICT 5
3 VOTES**

**JOINT RECOMMENDATION WITH THE CHIEF ADMINISTRATIVE OFFICER AND
THE DIRECTOR OF HEALTH SERVICES THAT YOUR BOARD:**

Establish Capital Project 69249 for the Olive View-UCLA Medical Center
Emergency Room Replacement and Tuberculosis Unit Project.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

Approval of the recommended action will establish Capital Project 69249 to provide for the design and construction of a new 31,000 square-foot emergency room and an adjacent 10,000 square-foot tuberculosis unit at the Olive View-UCLA Medical Center.

Background

In June 2002, at the direction of your Board, a needs assessment study was conducted by an independent consultant to analyze the current and future emergency medical service requirements at Olive View-UCLA and to develop options to meet those requirements. This study found that the current demand for emergency services at Olive View-UCLA exceeded the facility's existing capacity, and that the existing

emergency room was approximately one-half the size required to meet forecasted emergency visits beyond 2006.

Subsequent to this study, Tenet Healthcare Corporation announced its intent to sell or close several hospitals in the San Fernando Valley area. Additionally, Northridge Hospital has closed. Loss of emergency services due to the closure of any of these facilities places additional strain on Olive View-UCLA's already overcrowded emergency department.

Tuberculosis patients were previously treated and housed at High Desert Hospital, which operated an inpatient skilled nursing level tuberculosis unit. Because the average daily census in the tuberculosis ward was below 10 patients, the costs associated with maintaining the hospital solely for this purpose, combined with insufficient revenues, was prohibitive. Since the closure of High Desert Hospital, these patients have been placed throughout the other DHS hospitals. Proper accommodation of these patients, most of whom are not acutely ill, and maintaining the necessary separation from other patients has been difficult in an acute care setting.

Proposed Project

The 2002 needs assessment study identified four options to expand the emergency room capacity at Olive View-UCLA and meet current and projected patient loads. These options included: (1) renovation of the existing emergency room, (2) expansion of the existing emergency room, (3) construction of a new emergency room, and (4) a combination of renovation and expansion of the existing emergency room. The report specifically recommended Option 3, construction of a new 31,000 square-foot building adjacent to the existing hospital as the most effective means of addressing the hospital's immediate and future emergency needs.

The study concluded that the addition of this new building would not require any increase in the number of operating rooms or additional inpatient bed capacity at the hospital. The increase in capacity and size of the Olive View-UCLA emergency room would serve to reduce the number of emergency transfers to other County and private hospitals that currently occur due to overcrowding at the hospital.

The recommended option retains the existing psychiatric emergency department at its current location but allows the existing medical emergency department to be vacated for other hospital uses. Health Services is currently reviewing potential future use of this existing space that will be vacated and will report back to your Board with recommendations for use of this space.

The proposed tuberculosis unit, which is also part of this capital project, will house drug-resistant tuberculosis patients and infectious individuals under detention orders. The proposed new tuberculosis unit will provide the required isolation from other patients, as well as direct access to a secured outdoor area. The centralization of these patients at a single location will increase the efficiency and effectiveness of their medical care and relieve the current strain on other County hospitals.

Following your Board's approval of this capital project, a final space program will be developed for the expanded emergency room and tuberculosis unit, and we will return to your Board with recommendations regarding the award of a design services agreement, a refined project budget, and an overall project schedule.

Implementation of Strategic Plan Goals

This action is consistent with the County's Strategic Plan Goals of Service Excellence, Fiscal Responsibility, and Children and Families' Well-Being by investing in public health infrastructure and improving access to emergency services in the northern and western segment of the County. Completion of this project will provide a much needed health facility for the residents of the County of Los Angeles.

FISCAL IMPACT/FINANCING

The total project is currently estimated to cost \$29,000,000, including design, jurisdictional review, construction, equipment, consultant services, and County services. Upon completion of a detailed programming study for the project, we will return to your Board for approval of a total project budget and a detailed project schedule.

Sufficient funding is appropriated in the 2004-05 Capital Projects/Refurbishments Budget to complete the design of the proposed project. It is anticipated that construction of the project will be funded through the issuance of long-term, tax-exempt bonds. The Chief Administrative Office will return with funding and financing recommendations at the time your Board considers the award of a design services agreement.

Operational Impact

Once architectural programming and appropriate environmental documents are completed, Health Services will have sufficient documentation to report to the Board with regards to any specific impacts to the hospital's operations and budget.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

None.

ENVIRONMENTAL DOCUMENTATION

Approval of the recommended action will have no environmental impact. The appropriate environmental documents will be completed prior to returning to your Board for approval to adopt plans and specifications and advertise for construction bids.

CONTRACTING PROCESS

The CAO has requested Public Works to initiate consultant selection for architect/engineer and construction management services. We will return to your Board for approval of the recommended A/E by February 2005 followed by the construction management consultant in May 2005.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

Establishment of this project will have no impact on current services at the Medical Center.

As a result of the emergency room replacement, the County will not be required to retrofit the existing emergency area to meet SB 1953 requirements. This new building will be fully compliant with SB 1953 and current codes. Approximately \$1,500,000 is currently estimated as the cost savings to the SB 1953 retrofit project at Olive View-UCLA with the establishment of this capital project. If the hospital decides to use the vacated emergency space for critical care, this area will require retrofit to meet SB 1953 regulations. The cost of this retrofit cannot be determined until Health Services has provided a plan for the use of the vacated space.

The Honorable Board of Supervisors
November 24, 2004
Page 5

CONCLUSION

Please return one adopted copy of this letter to the CAO (Capital Projects Division), Health Services, and Public Works.

Respectfully submitted,

DONALD L. WOLFE
Interim Director of Public Works

DAVID E. JANSSEN
Chief Administrative Officer

THOMAS L. GARTHWAITE
Director of Health Services

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cc: County Counsel

November 24, 2004

ENCLOSURE

**OLIVE VIEW-UCLA MEDICAL CENTER
EMERGENCY ROOM REPLACEMENT AND
TUBERCULOSIS UNIT PROJECT
ESTABLISH CAPITAL PROJECT 69249**

PRELIMINARY PROJECT SCHEDULE

Project Activity	Completion Date
Construction Documents	02/2006
Jurisdictional Approval	02/2007
Advertise for Bids	04/2007
Award Construction Contract	06/2007
Construction Substantial Completion	12/2008
Acceptance of Project	04/2009